

EX PARTE OR LATE FILED



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March 10, 1997

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D. C. 20554

MAR 10 1997

Re: Ex Parte Correspondence - CC Docket 96-98

Dear Mr. Caton:

On Friday, March 7, 1997 I provided the attached *TeleFocus* publications (January 10, 1997, January 23, 1997, January 31, 1997, and February 18, 1997) to Mr. J. Garcia, of the Office of Plans and Policy, at his request.

Because the publications were delivered late in the day, two (2) copies of this Notice are being filed with the Secretary of the FCC, in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Sincerely,

Bruce K. Cox /svw

Attachments

cc: Mr. Garcia (without attachments)

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SPECIAL INDUSTRY REPORT

January 31, 1997

STATE ARBITRATION MONITOR

This is the tenth in a series of reports on state arbitration decisions that was launched by the Special Industry Report of November 14, 1996. The table on page 3 highlights key pricing decisions that were awarded by state Public Utility Commissions (PUCs). Consistent with prior awards, rates have been established on an interim basis, pending completion and review of forward-looking cost studies by the PUCs. As has been the case with prior issues of "State Arbitration Monitor" (the *Monitor*), the table does not report on all arbitrated issues. Also, arbitrators' reports that have not yet been approved by the PUC are not represented in the table.

This issue of the *Monitor* reports on 12 arbitration awards, five of which were adopted by state Commissions prior to the week ended January 24, 1997 (California [PAC/AT&T], 12/9/96; Michigan [both], 1/15/97; New Mexico[(USW/Brooks], 12/27/96; New Mexico [USW/Western Wireless], 1/2/97). The lag in reporting on the earlier decisions reflects both the fact that PUCs do not always initiate communications concerning these awards, and delays in the availability of detailed information from primary sources. The awards reported in this week's *Monitor* raise the cumulative tally to 88, and the number of states acting to 31. In cases where a single award has been granted to multiple parties, we have counted such awards as "one." Thus, even though the number of as yet anticipated interim awards is sharply waning, the cumulative tally falls substantially short of the number of requests for arbitration that were originally lodged with state PUCs. (In addition numerous arbitration proceedings were terminated because the parties ultimately settled their differences in negotiations.) Except for Missouri and one in California, all of the awards reported in this week's *Monitor* apply to an incumbent local exchange carrier (ILEC) and a single competitor.

Two of the awards reported on in this issue of the *Monitor* are revisions to earlier decisions. In Michigan, the Public Service Commission increased rates for unbundled loops. For local switching elements, port rates were increased and the minute-of-use rates were decreased. Reciprocal compensation rates for end-office terminations were raised, and those for tandem terminations were lowered. For details, see Note 6 following the table. The revised Missouri award, for **SBC Communication's** (SBC's) domestic telephone operation and **AT&T** (T) and **MCI Telecommunications** (MCIC), lowered the resale discount and increased the unbundled loop rates contained in the Commission's earlier awards for these companies. For details of the original awards, see December 20, 1996 *Monitor* for AT&T/SBC and January 10, 1996 *Monitor* for MCI/SBC, and Note 8 on page 4 of this report. Please note that the high end of the unbundled loop rate award that was indicated for MCI in an earlier issue of the *Monitor*, erroneously reported the weighted-average rate rather than the rate for the highest-priced zone. In fact, the original high-end award was the same for AT&T and MCI.

Excluded from the table is the arbitration that was conducted in Delaware between **Bell Atlantic** (BEL) and **Eastern TeleLogic**, since virtually all issues represented in our table were resolved in parallel

negotiations that took place during the arbitration proceeding. The Commission did, however, award a \$1.04 per month cross connect rate.

The cost model was an issue in both of the New Mexico arbitration proceedings, and the PUC adopted the Federal Communications Commission's (FCC's) Total-Element Long-Run Incremental Cost (TELRIC) model. Eight proceedings arbitrated the resale discount. All of the awarded discounts fell within the FCC's proxy range of 17-25%, with the exception of the MCI/GTE award in California and the U S WEST/Brooks Fiber award in New Mexico. The residential resale discount of 7% in the MCI/GTE arbitration mirrored the uniform interim discount rate established in a generic proceeding (see Bulletin dated March 18, 1996). The 12% discount for business service resale, though higher than the residential rate, was substantially below the FCC's proxy range. The New Mexico PUC awarded a 12% resale discount in the U S WEST/Brooks Fiber arbitration.

Eight states arbitrated unbundled loop rates. In four of these cases, the awarded loop rate was less than the FCC's average proxy rate, in one case, the award was in line with the FCC's proxy, and in three cases the award exceeded the proxy. Particularly striking, were the loop awards in Michigan and Missouri. Although we do not know the weighted average of the zone-based range that was awarded in Michigan, the \$11.99 average of the high and low ends of the range is nearly 80% below the FCC's average proxy rate. In Missouri, the \$13.09 weighted average of the awarded zone-based loop rates is more than 70% below the FCC's average proxy rate. In California, the awards exceeded the FCC's average proxy rate by 16% for **Pacific Bell**, a subsidiary of **Pacific Telesis Group (PAC)**, and 51% for **GTE California**, a subsidiary of **GTE Corp. (GTE)**.

California and Michigan were the only states in which unbundled switching rates were arbitrated. In California, the PUC established a more granular pricing approach in the arbitrations involving Pacific Bell than we have seen in other states' awards. A call set up charge was created, distinct from the minute-of-use charge, with rates varying in each case, depending on whether the call is interoffice or intraoffice. Rates were also differentiated at the originating and terminating ends of interoffice calls. Because of this complexity, we were unable to provide unbundled switching rates in the table on a basis that is comparable to those indicated for other awards. The details, however, are provided in Note 3 following the table. In the MCI/GTE arbitration, the minute-of-use rate for unbundled switching fell within the FCC's proxy range. The PUC established flat port rates in both the Pacific Bell and GTE arbitrations that were three-to-four times higher than the FCC's proxy.

In Michigan, the Sprint/AIT award mirrored the revised award that was issued in the **AT&T/Ameritech** arbitration last week (see table and Note 6 for details). The flat port rate was nearly twice the FCC's proxy. The minute of use charge for the first minute of unbundled switching is above the FCC's proxy range; however the charge for each additional minute falls below the low end of the proxy range. The Sprint/GTE award mirrors the previously reported **AT&T/GTE** award, (see December 20, 1996 *Monitor*).

Eleven of the awards reported in this issue of the *Monitor* addressed reciprocal compensation. In four instances, the Commission ordered bill and keep arrangements. The other awards, which were monetary, were within the FCC's proxy ranges, with the exception of Oregon, where a rate was established for end-office termination that is above the high end of the FCC's proxy range.

Eileen Polsky
Tom Fitzsimons



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SPECIAL INDUSTRY REPORT

February 18, 1997

STATE ARBITRATION MONITOR

This is the eleventh in a series of reports on state arbitration decisions that began with the November 14, 1996 Special Industry Report. The table that follows highlights key pricing decisions that were awarded by state Public Utility Commissions (PUCs) during the first two weeks of February. These decisions bring the number of arbitration awards to a total of 91, and the number of states acting to 32. Consistent with prior awards, rates have been established on an interim basis, pending completion and review of forward-looking cost studies by the PUCs. As has been the case with prior issues of "State Arbitration Monitor" (*Monitor*), the table does not report on all arbitrated issues. Also, arbitration reports that have not yet been approved by the PUC are not included in the table. We will continue to report on arbitration proceedings as awards are granted. However, because the number of pending proceedings is relatively small, these reports will be published less frequently than they have been during the past few months.

Since our last issue of the *Monitor*, covering the week ending January 24, 1997, there have been, to the best of our knowledge, only three arbitration decisions. The cost model was not arbitrated in the decisions addressed in this report, however, the resale discount was set in all three proceedings. In Oregon, the discount was slightly below the low end of the proxy range established by the Federal Communications Commission (FCC), as was the differentiated business resale discount that was ordered in Kentucky (most states have established a uniform resale discount for residential and business service). Rates for unbundled loops and switching were awarded in all three proceedings. The loop rate award exceeded the FCC's proxy in each case. The minute-of-use local switching charge fell within the FCC's proxy range in two cases, and the port rate exceeded the FCC's proxy in all cases. Reciprocal compensation was also arbitrated, with two states establishing a bill-and-keep arrangement and the other setting rates within the FCC's proxy ranges for end-and tandem-office termination.

STATE ARBITRATION AWARDS--WEEKS ENDING FEBRUARY 7, AND 14, 1997*

State Parties*	Cost Model	Resale Discount	Unbundled Loop Rate			Local Exch. Flat Rate		Unbundled Switch.		Reciprocal Compensation Rate ¹
			FCC Proxy	Residence	Business	Residence	Business	MOU Rate	Port Rate	
FCC	TELRIC	17%-25%	--	--	--	--	--	\$0.002-\$0.004	\$1.10	\$0.002-\$0.004/ \$0.0035-\$0.0055
Alabama AT&T/GTE	n/a	23%	\$17.25	\$28.13	\$28.13	note 2	note 2	\$0.0036	\$1.89	Bill&Keep
Kentucky AT&T/BLS	n/a	16.79%(R) 15.54%(B)	\$16.70	\$18.20	\$18.20	\$11.17- \$1655	\$28.10- \$47.76	\$0.002562	\$2.61	\$0.002/\$0.005
Oregon MCI/GTE	n/a	15.9%	\$15.44	\$17.20 ³	\$17.20 ³	note 2	note 2	\$0.005 ³	\$1.20 ³	Bill&Keep

* All rates are interim pending commission review and ruling on a full cost study.

n/a -- issue was not brought to arbitration.

In the State/Parties column, the following company abbreviations are used:

AT&T	AT&T
BLS	BellSouth
GTE	GTE
MCI	MCI Communications

Notes:

1. In cases where interim rates have been established, the first rate is for end-office termination, and the second rate is for tandem office termination.
2. GTE basic service rates were unavailable at the time of publication.
3. The Oregon arbitration award specified unbundled loop rates based on those adopted in a prior generic proceeding.

Eileen Polsky
Tom Fitzsimons



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SPECIAL INDUSTRY REPORT

January 10, 1997

STATE ARBITRATION MONITOR

This is the eighth in a series of reports on state arbitration decisions that began with the November 14, 1996 Special Industry Report. The table on page 2 highlights key pricing decisions that were awarded by state Public Utility Commissions (PUCs) during the weeks ending December 27, 1996 and January 3, 1997. This brings the number of arbitration awards to a total of 66 in 27 states. Decisions in 25 states involved Bell Operating Companies, and awards in eight states involved GTE companies. AT&T and MCI led the way in commission-approved decisions with 31 and 23 awards respectively. MFS and Teleport each had 13 awards. Others receiving arbitration awards in 1996 included Sprint, COX, Western Wireless, Brooks Fiber, ACSI and Eastern TeleLogic. As we have previously indicated, the table does not include all arbitrated issues. Also, arbitrator's reports that have not yet been approved by PUC action are not addressed.

Of the eight arbitration decisions reported in this issue of the "Arbitration Monitor," five involved MCI and three Western Wireless. The three Western Wireless decisions are of interest as they are the first decisions involving a commercial mobile radio service (CMRS) provider. One of the issues common to all of the Western Wireless arbitrations was that of reciprocal compensation. Western has existing contracts with U S WEST specifying transport and termination charges that are not reciprocal. Western Wireless, per provisions of the Telecommunications Act of 1996, and subsequent Federal Communication Commission (FCC) rules, was able to reopen its contracts in order to obtain a reciprocal payment for transport and termination of calls originating on U S WEST's network.

In the MCI cases, the PUCs generally followed the same pattern established in earlier arbitrations involving other potential incumbent local exchange carrier competitors, with unbundled element and reciprocal compensation rates mirroring earlier decisions.

Tom Fitzsimons

**STATE ARBITRATION AWARDS--WEEKS ENDING DECEMBER 27, 1996
AND JANUARY 3, 1997***

State Parties*	Cost Model	Resale Discount	Unbundled Loop Rate			Local Exch. Flat Rate		Unbundled Switch.		Reciprocal Compensation Rate ¹
			FCC Proxy	Residence	Business	Residence	Business	MOU Rate	Port Rate	
FCC	TELRIC	17%-25%	--	--	--	--	--	\$0.002-\$0.004	\$1.10	\$0.002-\$0.004/ \$0.0035-\$0.0055
Colorado ² MCI/USW	TSLRIC	9%-50%	\$14.97	\$18.00	\$18.00	\$14.87	\$37.31	\$0.005	\$1.00	n/a
Colorado Western Wireless/USW	n/a	n/a	\$14.97	n/a	n/a	--	--	n/a	n/a	\$0.00889
Idaho Western Wireless/USW	n/a	n/a	\$20.16	n/a	n/a	--	--	n/a	n/a	\$0.007043 ³
Indiana MCI/GTE	n/a	17%	\$13.29	\$14.63 ⁴	\$14.63 ⁴	note 5	note 5	\$0.0048 ⁴	\$1.93 ⁴	\$0.0036/\$0.0044 ⁴
Michigan MCI/AIT	n/a	22%	\$15.27	\$10.47- \$11.26	\$10.47- \$11.26	\$8.85- \$13.36	\$29.35- \$30.34 ⁶	\$0.0021	\$1.14	\$0.0039/\$0.0044
Missouri MCI/SBC	n/a	21.61%	\$18.32	\$9.99- \$13.09	\$9.99- \$13.09	\$7.55- \$12.50	\$16.85- \$36.95	\$0.00224	\$2.51	Bill&Keep
Pennsylvania MCI/BEL	n/a	19.99%	\$12.30	\$10.51- \$21.28	\$10.51- \$21.28	\$3.85- \$21.00	\$10.70- \$23.50	n/a	n/a	\$0.003/\$0.005
Wyoming Western Wireless/USW	n/a	n/a	\$25.11	n/a	n/a	--	--	n/a	n/a	\$0.008382

* All rates are interim pending commission review and ruling on a full cost study.

n/a -- issue was not brought to arbitration.

In the State/Parties column, the following company abbreviations are used:

AIT Ameritech	MCI MCI
AT&T AT&T	SBC SBC Communications
GTE GTE	USW U S WEST Communications

Notes:

1. In cases where interim rates have been established, the first rate is for end-office termination, and the second rate is for tandem office termination.
2. The Colorado PUC relies heavily on a prior PUC order on interim USW tariffs that used a TSLRIC cost model. The rates shown in the table are those found in the interim pricing order of 6/96. The wholesale discounts are: 9% residence basic, 16% business basic, 30% intraLATA toll, and 50% for vertical services, e.g., Custom Calling features.
3. The Idaho PUC ordered that the amounts of \$0.0011 in the Call Termination and Tandem Switching Transport rates are subject to refund should the Commission determine that the U S WEST depreciation reserve deficiency is less than \$0.0011.
4. The Indiana Utility Regulatory Commission set interim rates based on the Ameritech-Indiana/AT&T arbitration decision plus 20%.
5. GTE basic service rates were unavailable at the time of publication.
6. Michigan local exchange rates for single-line business are measured. The base rates range from \$12.51 to \$13.50, with a per call charge of \$0.0842. The rates shown in the table are based on 200 calls per month.



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SPECIAL INDUSTRY REPORT

January 23, 1997

STATE ARBITRATION MONITOR

This is the ninth in a series of reports on state arbitration decisions that began with the Special Industry Report of November 14, 1996. The table on page 2 highlights key pricing decisions that were awarded by state Public Utility Commissions (PUCs) during the weeks ended January 10 and January 17, 1997. Consistent with prior awards, rates have been established on an interim basis, pending completion and review of forward-looking cost studies by the PUCs. As has been the case with prior issues of "State Arbitration Monitor," the table does not report on all arbitrated issues. Also, arbitrators' reports that have not yet been approved by the PUC are not represented in the table.

The 10 arbitration awards of the first two weeks of January 1997 brings the cumulative tally of awards to date to 76, representing actions in 28 states. In cases where a single award has been granted to multiple parties because proceedings have been consolidated, we have counted such awards as "one." In all but one case, the awards pertained to the arbitration of issues between Bell Operating Companies or GTE and one of the three largest interexchange carriers.

We are aware of 10 awards issued in six states during the first two weeks of January. The issue of the cost model was not arbitrated in any of these cases. However, in all but the Missouri arbitration between AT&T (T) and GTE (GTE), unbundled loop rates were arbitrated. In Missouri, the PUC modified its earlier decision lowering the wholesale discount rate from 31.08% to 26.93%. The Commission stated: "Specifically, the Commission finds that the discount rate of 26.93%, which was arrived at by using the FCC's (Federal Communications Commission) recommended methodology, is the more appropriate interim discount rate for resold services." As has been the case in other arbitration awards to date, a uniform loop rate or rate range was awarded for residence and business loops, and the rates in about half of the awards were above the FCC's proxy. Rate ranges for unbundled loops were established in four awards. In two of those cases, the incumbent local exchange carrier's retail rates for residential and business service are zone based, in inverse relationship to the cost characteristics of the zones. Unbundled switching rates were set in eight awards; in four of those cases, the rates exceeded the FCC's proxy range. Four awards established reciprocal compensation rates; in one case, the rates exceeded the FCC's proxy range. Three awards established "bill and keep" for reciprocal compensation.

Eileen Polsky
Tom Fitzsimons

**STATE ARBITRATION AWARDS--WEEKS ENDING JANUARY 10, 1996*
AND JANUARY 17, 1997**

State Parties*	Cost Model	Resale Discount	Unbundled Loop Rate			Local Exch. Flat Rate		Unbundled Switch.		Reciprocal Compensation Rate ¹
			FCC Proxy	Residence	Business	Residence	Business	MOU Rate	Port Rate	
FCC	TELRIC	17%-25%	--	--	--	--	--	\$0.002-\$0.004	\$1.10	\$0.002-\$0.004/ \$0.0035-\$0.0055
Indiana Sprint/AIT	n/a	21%	\$13.29	\$12.19	\$12.19	\$9.85-\$13.17	\$31.93-\$47.40	\$0.004	\$1.61	\$0.003/\$0.0037
Indiana Sprint/GTE	n/a	17%	\$13.29	\$14.63 ²	\$14.63 ²	\$4.60-\$17.65	\$10.90-\$87.05	\$0.0048 ²	\$1.93 ²	\$0.0036-\$0.0044 ²
Missouri AT&T/GTE	n/a	26.93% ³	--	--	--	--	--	--	--	--
Missouri Sprint/GTE	n/a	26.93%	\$18.32	\$14.71-\$36.31	\$14.71-\$36.31	note 4	note 4	\$0.002591	\$1.86	Bill&Keep
New Jersey ETC/BEL	n/a	n/a	\$12.47	\$9.32-\$16.82 ⁵	\$9.32-\$16.82 ⁵	\$6.75-\$8.19	\$18.90-\$21.21 ⁶	n/a	n/a	n/a
Ohio MCI/AIT	n/a	20.29%-25% ⁷	\$15.73	\$8.36-\$13.73	\$8.36-\$13.73	\$15.25	\$36.31 ⁸	\$0.004	\$2.30	\$0.004/\$0.0055
Oklahoma AT&T/GTE	n/a	16.1%	\$17.63	\$20.70-\$49.30	\$20.70-\$49.30	\$9.47-\$13.59	\$20.68-\$41.78	\$0.005775-\$0.007598 ⁹	\$3.00	\$0.005775-\$0.007598/ \$0.008597-\$0.01042 ⁹
Oklahoma AT&T/SBC	n/a	19.8%	\$17.63	\$17.63	\$17.63	note 4	note 4	\$0.003	\$1.55	note 10
Oregon AT&T/GTE	n/a	21%	\$15.44	\$17.20 ¹¹	\$17.20 ¹¹	note 4	note 4	\$0.005 ¹¹	\$1.20 ¹¹	Bill&Keep
Oregon AT&T/MCI/USW	n/a	22%	\$15.44	\$17.20 ¹¹	\$17.20 ¹¹	\$12.80	\$30.87-\$34.77 ¹²	\$0.005 ¹¹	\$1.20 ¹¹	Bill&Keep

* All rates are interim pending commission review and ruling on a full cost study

n/a -- issue was not brought to arbitration.

In the State/Parties column, the following company abbreviations are used:

AIT	Ameritech	MCI	MCI
AT&T	AT&T	SBC	SBC Communications
BEL	Bell Atlantic	Sprint	Sprint
ETC	Eastern TeleLogic Corp.	USW	U S WEST
GTE	GTE		

Notes:

- In cases where interim rates have been established, the first rate is for end-office termination, and the second rate is for tandem office termination.
- The Indiana Utility Regulatory Commission set interim rates based on the Ameritech/AT&T arbitration decision plus 20%.
- The Missouri Commission modified its earlier decision based on further information including the FCC's methodology.
- GTE basic service rates were unavailable at the time of publication.
- In New Jersey, the interim unbundled loop rates are based on four zones with the lowest-density zone having the highest rate. A cross-connect charge of \$1.04/month was also ordered.
- New Jersey local exchange rates for single-line business are measured. The four rate groups, with the highest rates in the most urban rate group, range from \$10.65 to \$12.96, with a per message unit charge of \$0.066. The rates shown in the table are based on 200 message units per month.
- The lower wholesale discount rate for resale applies if AIT supplies Operator Services/Directory Assistance (OS/DA); the higher rate applies if the reseller supplies its own OS/DA.
- In Ohio, local exchange service for business is a measured service. The rate shown represents the fixed portion (\$26.15) plus the charges for 200 message units (\$0.08/message unit after the first 73 message units).
- Unbundled switching and reciprocal compensation rates vary by the deaveraged zones for the unbundled loops.
- The Commission did not order a specific reciprocal compensation rate. It ordered that any rate negotiated should cover costs and that the parties could negotiate bill and keep if desired.
- The Oregon arbitration award specified unbundled loop rates based on those adopted in a prior generic proceeding.
- The rate range reflects Oregon's rate-making practice that characterizes business flat rates as "simple" and "complex," not zone-based pricing. Rates are otherwise uniform throughout the state.

STATE ARBITRATION AWARDS--WEEK ENDING JANUARY 24, 1996*

State Parties [#]	Cost Model	Resale Discount	Unbundled Loop Rate			Local Exch. Flat Rate		Unbundled Switch.		Reciprocal Compensation Rate ¹
			FCC Proxy	Residence	Business	Residence	Business	MOU Rate	Port Rate	
FCC	TELRIC	17%-25%	--	--	--	--	--	\$0.002-\$0.004	\$1.10	\$0.002-\$0.004 \$0.0035-\$0.005
California MCI/Sprint/ PAC	n/a	17%	\$11.10	\$12.92	\$12.92	\$11.25	\$23.41 ⁴	note 3	\$3.49	Bill&Keep ⁴
California AT&T/PAC	n/a	17%	\$11.10	\$12.92	\$12.92	\$11.25	\$23.41 ⁴	note 3	\$3.49	Bill&Keep ⁴
California MCI/GTE	n/a	12%(B) 7%(R)	\$11.10	\$16.81	\$16.81	note 5	note 5	\$0.0036286	\$4.58	Bill&Keep ⁴
Michigan AT&T/AIT	--	--	\$15.27	\$9.31- \$14.67 ⁶	\$9.31- \$14.67 ⁶	\$8.85- \$13.36	\$29.35- \$30.34 ⁷	\$0.0054 1st MOU/ \$0.0017 Add'l. min ⁶	\$2.12 ⁶	\$0.003637/ \$0.004481 ⁶
Michigan Sprint/AIT	n/a	22%	\$15.27	\$9.31- \$14.67	\$9.31- \$14.67	\$8.85- \$13.36	\$29.35- \$30.34 ⁷	\$0.0054 1st MOU/ \$0.0017 Add'l. min	\$2.12	\$0.003637/ \$0.004481
Michigan Sprint/GTE	n/a	25%	\$15.27	\$7.53- \$10.37	\$7.53- \$10.37	note 5	note 5	\$0.0065 1st MOU/ \$0.0022 Add'l. min	\$1.59	\$0.002/ \$0.0026
Missouri AT&T,MCI/ SBC	n/a	20.32% ⁸	\$18.32	\$10.50- \$27.63 ⁸	\$10.50- \$27.63 ⁸	\$7.55- \$16.50	\$16.85- 36.95	--	--	--
New Mexico Brooks/USW	TELRIC	12%	\$18.66	n/a	n/a	--	--	n/a	n/a	Bill&Keep ⁹
New Mexico Western Wireless/ USW	TELRIC	n/a	\$18.66	n/a	n/a	--	--	n/a	n/a	note 10
Oregon Western Wireless/ USW	n/a	n/a	\$15.44	n/a	n/a	--	--	n/a	n/a	\$0.005 ¹¹
Oregon Western Wireless/ GTE	n/a	n/a	\$15.44	n/a	n/a	--	--	n/a	n/a	\$0.005 ¹¹
Washington MFS/USW	n/a	21%	\$13.37	\$13.37	\$13.37	\$8.75- \$10.75	\$18.40- \$27.20	n/a	n/a	\$0.003141/ \$0.005416

* All rates are interim pending commission review and ruling on a full cost study.

Bolded awards are Commission revisions to previous awards.

n/a -- issue was not brought to arbitration.

(B) = Business; (R) = Residence

In the State/Parties column, the following parent company abbreviations are used in lieu of the operating subsidiaries involved in the arbitrations:

AIT Ameritech
AT&T AT&T
BEL Bell Atlantic
Brooks Brooks Fiber Properties
ETC Eastern TeleLogic
GTE GTE Corp.

MCI MCI Telecommunications
MFS MFS Communications
PAC Pacific Telesis Group
SBC SBC Communications
Sprint Sprint
USW U S WEST

Notes:

1. The first rate is for end-office termination, and the second rate is for tandem office termination.
2. California local exchange rates for single-line business are measured. The base rate is \$8.35. Each call incurs charges based on duration. The first minute charge is \$0.0333, and each subsequent minute is billed at \$0.0105. Time-of-day and other discounts apply. The rate is based on 200 five-minute calls per month, without discount.
3. In California, the local end-office switching rate is composed of a call set-up charge (per call) and a minute-of-use rate. Different rates apply to (a) the originating end of an interoffice calls, (b) the terminating end of an interoffice calls, and (c) intraoffice calls. Call set-up rates are: \$0.006836, \$0.007006, and \$0.016156, respectively. Minute-of-use rates are: \$0.000875, \$0.0009, and \$0.009, respectively.
4. Reciprocal compensation in California is bill and keep unless there is a traffic imbalance in excess of 15%. In that case, the excess traffic minutes are billed at the local switching rate.
5. GTE basic service rates were unavailable at the time of publication.
6. The Michigan PSC modified its earlier arbitration order in the AT&T/AIT proceeding, based on additional cost-study data filed by AIT. The new rates will also apply to all subsequent arbitration orders. Unbundled local loop rates were raised from the initial range of \$7.53-10.37, an increase of 26-41%. The unbundled port rate was increased by a factor of nearly four, from the uncommonly low initial award of \$0.54. Unbundled local switching usage rates for the first minute were lowered by 17% from the original award of \$0.0065, and for each additional minute by 23% from the original \$0.0022. Reciprocal compensation rates for end-office termination were increased 82% from \$0.002. Reciprocal compensation for tandem office termination declined 25%, from the initial award of \$0.006.
7. Michigan single-line business local exchange rates are measured. The base rates range from \$12.51 to \$13.50, with a per call charge of \$0.0842. The rates shown in the table are based on 200 calls per month.
8. The Missouri Commission modified its earlier decision based on further information and use of the FCC's methodology for calculating the wholesale discount rate. The resale discount was lowered from 21.61%, and rates for unbundled local loops were raised approximately \$0.50 for each density zone. **Please note that the January 10, 1997 State Arbitration Monitor erroneously indicated the high end of the unbundled loop rate range for MCI as \$13.09. This, in fact, represents the weighted average of the multiple-zone prices, and the high end was \$27.12, identical with the award for AT&T.**
9. Bill and keep will apply unless a traffic imbalance greater than 5% exists for a three-month period.
10. In New Mexico, Western Wireless will pay GTE an end-office rate of \$0.0037733. The tandem-office rate was agreed to in negotiations. GTE will pay Western Wireless the tandem rate for terminating GTE-originated traffic.
11. The Oregon arbitration award specified an end-office reciprocal compensation rate adopted in a prior generic proceeding.